



SMALL BANK

Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219

PUBLIC DISCLOSURE

July 27, 2004

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Resource Bank, National Association
Charter Number 5815**

**555 Bethany Road
Dekalb, IL 60115**

**Comptroller of the Currency
Chicago North Field Office
85 West Algonquin Road, Suite 340
Arlington Heights, Illinois 60005**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

INSTITUTION'S CRA RATING

This institution is rated "Satisfactory".

The major factor that supports the Resource Bank, National Association rating include:

- The loan-to-deposit ratio is reasonable considering seasonal variations and taking into account lending-related activities given the bank's size, financial condition, and assessment area credit needs.
- A majority of loan and other lending-related activities are in the bank's assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of loans reflects, given the demographics of the assessment area, good penetration among small businesses and small farms and good penetration among borrowers of different income levels.
- There were no consumer complaints filed during the period from January 2001 through August 2004.

DESCRIPTION OF INSTITUTION

Resource Bank, National Association (RBNA) is a \$215 million intrastate financial institution headquartered in DeKalb, Illinois. RBNA is located approximately 60 miles west of Chicago, Illinois and 30 miles southeast of Rockford, Illinois. RBNA is a wholly owned subsidiary of Resource Bancshares, Inc., a one-bank holding company. As of December 31, 2003, Resource Bancshares, Inc. had approximately \$217 million in consolidated assets. There are no other affiliates.

RBNA has seven full-service facilities. The main office is located in DeKalb, Illinois. There is one additional office in DeKalb, and the remaining five offices are in Malta, Hinckley, Cortland, Genoa, and Sycamore. RBNA owns and operates five automated teller machines at all offices except the Malta and Cortland locations.

As of December 31, 2003, RBNA had approximately \$137 million in outstanding loans and had a net loans and leases to assets ratio of 64.28 percent. Tier One capital was reported at \$23 million. The table below provides data on RBNA's gross loan portfolio.

Loan Category	\$(000s)	Percent
Commercial Loans	55,869	40.65
Agricultural Loans	41,328	30.07
Residential Loans	33,480	24.36
Other Loans	3,477	2.53
Individual Loans	3,285	2.39
Total	137,439	100.00

Table data from December 31, 2003 Call Report

RBNA was rated "Satisfactory" at its last CRA evaluation dated July 2, 2001. There are no financial conditions, legal constraints or other factors that would hinder its ability to meet the credit needs of its community.

DESCRIPTION OF ASSESSMENT AREA

RBNA has one assessment area (AA) that comprises the majority of DeKalb County, which is part of the Chicago Metropolitan Area (MA). This AA meets the requirements of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

The total population of the AA is 80,210 based on 2000 census data. This is a 14.04 percent increase from the 1990 census. The AA contains 17.91 percent low-, 20.46 percent moderate-, 28.53 percent middle- and 33.11 percent upper-income families based on the 2000 census. This is approximately a 3.08 percent decrease, 9.15 percent decrease, 1.46 percent increase, and 7.22 percent increase, respectively, from the 1990 census.

The current AA, based on 2000 census data, consists of eighteen geographies. Two (11 percent) are low-income, one (6 percent) is moderate-income, fourteen (78 percent) are middle-income, and one (6 percent) are upper-income geographies. This is a slight change from 1990 census data, when one (6 percent) were low-income, two (11 percent) moderate-income, thirteen (72 percent) middle-income, one (6 percent) upper-income, and one (6 percent) were unknown geographies.

The median family income in the bank's AA, based on 2000 census data, is \$61,182. This is a 43.09 percent increase from 1990 census data. The 2003 HUD adjusted median family income for the Chicago MA was \$68,700.

The local housing demand is strong. The 2000 census data showed that there are 29,668 housing units within the AA. Of these, 55.97 percent are owner-occupied units, 39.99 percent are rental-occupied units, and 4.04 percent are vacant housing units. The weighted average median housing value in the AA is \$134,469. Housing units increased 21.43 percent from the 1990 census along with an increase of 23.70 percent in owner-occupied units, 16.74 percent increase in rental-occupied units, and 41.56 percent increase in vacant housing units. The weighted average median housing value increased 57.43 percent from the 1990 census.

Based on the 2003 Business Geodemographic Data, there were a total of 3,590 businesses in the AA. Of these, 2,415 (67.27 percent) had revenues less than \$1 million, 227 (6.32 percent) had revenues greater than \$1 million, and 948 (26.41 percent) did not report revenue information. There are 7.58 percent of the businesses located in the low-income geographies, 0.00 percent in the moderate-income geography, 88.13 percent in the middle-income geographies, and 4.29 percent in the upper-income geography.

Based on the 2003 Business Geodemographic Data, there were a total of 474 farms in the AA. Of these, 450 (94.94 percent) had revenues less than \$1 million, seventeen (3.59 percent) had revenues greater than \$1 million, and seven (1.48 percent) did not report revenue information. There are 0.85 percent of the farms located in the low-income geographies, 0.00 percent in the moderate-income geography, 89.87 percent in the middle-income geographies, and 9.28 percent in the upper-income geography.

Major employers in the area include Northern Illinois University, Kishwaukee Community Hospital, and Nestle. The 2003 unadjusted seasonal unemployment rate for the AA was 5.9 percent. This is below the 2003 State of Illinois unemployment rate of 6.7 percent and the 2003 national unemployment rate average of 6.0 percent.

Competition among financial institutions within the AA is strong. RBNA's major competitors within its AA include National Bank & Trust Company of Sycamore representing 23.35 percent of the deposit market share, Castle Bank NA with 22.68 percent, American National Bank of DeKalb County with 12.05 percent, and Citizens First National Bank with 5.85 percent. RBNA has 11.17 percent of the deposit market share.

We conducted one community contact interview during our evaluation. We contacted a local community development center. The contact indicated that local financial institutions were doing a good job of meeting the primary needs of the communities.

CONCLUSIONS ABOUT PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

RBNA's quarterly average loan-to-deposit ratio is reasonable given the bank's size, financial condition, and AA credit needs. RBNA's quarterly average loan-to-deposit ratio for the time period of January 1, 2001 to December 31, 2003 was 81.26 percent. The most recent quarterly average loan-to-deposit ratio (December 2002) was 74.16 percent. The quarterly average loan-to-deposit ratio for other similarly situated financial institutions located within the AA ranges from 71.95 percent to 92.91 percent. The loan-to-deposit ratio ranked second of five institutions with assets in the range of \$215 to \$668 million in the AA.

Lending in Assessment Area

RBNA's record of lending within its AA is considered reasonable. The majority of the bank's loans are made within its AA. We sampled 120 loans originated between January 2001 and December 2003. Sixty commercial loans and 60 agricultural loans were randomly sampled. In addition, all of the bank's Home Mortgage Disclosure Act reportable loans were reviewed. Table 1 details the bank's lending within the AA by number of loan originations and dollar volume since its last CRA evaluation.

Table 1 - Lending in Assessment Area										
Loan Type	Number of Loans					Dollars of Loans (000 omitted)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Commercial*	42	70.00	18	30.00	60	\$ 4,129	52.00	\$ 3,771	48.00	\$ 7,900
Agricultural*	39	65.00	21	35.00	60	\$ 8,261	52.00	\$ 7,495	48.00	\$15,756
Home Purchase**	41	59.42	28	40.58	69	\$ 4,916	46.66	\$ 5,619	53.34	\$10,535
Home Refinance**	27	61.36	17	38.64	44	\$ 3,134	61.37	\$ 1,973	38.63	\$ 5,107
Home Improvement**	26	70.27	11	29.73	37	\$ 589	73.44	\$ 213	26.56	\$ 802
Multifamily**	9	52.94	8	47.06	17	\$ 2,491	61.29	\$ 1,573	38.71	\$ 4,064
Total HMDA **	103	61.68	64	38.32	167	\$11,130	54.27	\$ 9,378	45.73	\$20,508
Totals	184	64.11	103	35.89	287	\$23,520	53.26	\$20,644	46.74	\$44,164

* Represents sample of loan selected that were originated from January 2001 through December 2003.

** Represents loans originated between January 1, 2001 and December 31, 2003 as reported under the Home Mortgage Disclosure Act.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The bank's record of extending credit to individuals of different income and to businesses of different sizes reflects satisfactory lending to low- and moderate-income persons and small businesses and farms within this AA.

Census 2000 changed the boundaries and income levels of many existing geographies. These changes were effective January 1, 2003. The evaluation period included loans made in 2002 and prior years as well as loans made in 2003, therefore two separate analyses were completed. The results of these analyses were combined to obtain an overall rating.

Commercial Loan Originations (January 1, 2001 – December 31, 2002)

Commercial lending to businesses of different sizes is excellent. Loans made to businesses with annual revenues of less than \$1 million (92.86 percent) significantly exceeded the percentage of businesses within the AA with annual revenues of less than \$1 million (81.00 percent). Of the 28 loans in our sample, 26 loans totaling \$1.3 million were made to businesses with annual revenues of less than \$1 million.

Table 2a – Borrower Distribution of Loans to Businesses in AA (January 1, 2001 – December 31, 2002)		
Business Revenues (or Sales)	≤ \$1,000,000	> \$1,000,000
% of AA Businesses*	81.00	6.33
% of Bank Loans in AA by #	92.86	7.14
% of Bank Loans in AA by \$	51.60	48.40

Source: Sample of loans selected that were originated from January 1, 2001 through December 31, 2002

*2002 Business Geodemographic Data, 12.67% of AA businesses did not report revenue data

Commercial Loan Originations (January 1, 2003 – December 31, 2003)

Commercial lending to businesses of different sizes is excellent. Loans made to businesses with annual revenues of less than \$1 million (85.71 percent) significantly exceeded the percentage of businesses with annual revenues of less than \$1 million (67.27 percent) within the AA. Of the fourteen loans in our sample, twelve loans totaling \$1.505 million were made to businesses with annual revenues of less than \$1 million.

Table 2b – Borrower Distribution of Loans to Businesses in AA (January 1, 2003 – December 31, 2003)		
Business Revenues (or Sales)	≤ \$1,000,000	> \$1,000,000
% of AA Businesses*	67.27	6.32
% of Bank Loans in AA by #	85.71	14.29
% of Bank Loans in AA by \$	93.47	6.53

Source: Sample of loans selected that were originated from January 1, 2003 through December 31, 2003

*2003 Business Geodemographic Data, 26.41% of AA businesses did not report revenue data

Agricultural Loan Originations (January 1, 2001 – December 31, 2002)

Agricultural lending to farms of different sizes is reasonable. Loans made to farms with annual revenues of less than \$1 million (92.00 percent) were near the percentage of farms within the AA with annual revenues of less than \$1 million (95.19 percent). Of the 25 loans in our sample, 23 loans totaling \$3.943 million were made to farms with annual revenues of less than \$1 million.

Table 3a – Borrower Distribution of Loans to Farms in AA (January 1, 2001 – December 31, 2002)		
Farm Revenues	≤ \$1,000,000	> \$1,000,000
% of AA Farms*	95.19	3.77
% of Bank Loans in AA by #	92.00	8.00
% of Bank Loans in AA by \$	65.57	34.43

Source: Sample of loans selected that were originated from January 1, 2001 through December 31, 2002

*2002 Business Geodemographic Data, 1.05% of AA farms did not report revenue data

Agricultural Loan Originations (January 1, 2003 – December 1, 2003)

Agricultural lending to farms of different sizes is excellent. Loans made to farms with annual revenues of less than \$1 million (100.00 percent) significantly exceeded the percentage of farms with annual revenues of less than \$1 million (94.94 percent) within the AA. Of the fourteen loans in our sample, fourteen loans totaling \$2,248 million were made to farms with annual revenues of less than \$1 million.

Farm Revenues	≤ \$1,000,000	> \$1,000,000
% of AA Farms*	94.94	3.59
% of Bank Loans in AA by #	100.00	0.00
% of Bank Loans in AA by \$	100.00	0.00

Source: Sample of loans selected that were originated from January 1, 2003 through December 31, 2003

*2003 Business Geodemographic Data, 1.48% of AA farms did not report revenue data

HMDA Loan Originations (January 1, 2001 – December 31, 2002)

The borrower distribution of home purchase loans among borrowers of different income levels is reasonable. Home purchase loans made to low-income borrowers (21.74 percent) exceeded the percentage of low-income families (18.48 percent) within the AA. Home purchase loans made to moderate-income borrowers (17.39 percent) was below the percentage of moderate-income families (22.52 percent) within the AA. However, consideration was given to the high poverty level (12 percent) in the AA. The bank made 23 home purchase loans within the AA between 2001 and 2002. Five loans totaling \$378 thousand were made to low-income borrowers and four loans totaling \$504 thousand were made to moderate-income borrowers.

The distribution of home improvement loans among borrowers of different income levels is reasonable. Home improvement loans made to low-income borrowers (17.39 percent) was below the percentage of low-income families (18.48 percent) within the AA. However, consideration was given to the high poverty level (12 percent) within the AA. Home improvement loans made to moderate-income borrowers (30.43 percent) significantly exceeded the percentage of moderate-income families (22.52 percent) within the AA. The bank made 23 home improvement loans within the AA between 2001 and 2002. Four loans totaling \$56 thousand were made to low-income borrowers and seven loans totaling \$341 thousand were made to moderate-income borrowers.

The borrower distribution of home refinance loans among borrowers of different income levels is reasonable. Home refinance loans made to low- and moderate-income borrowers (11.76 and 0.00 percent, respectively) was below the percentage of low- and moderate-income families (18.48 and 22.52 percent, respectively) within the AA. However, consideration was given to the high poverty level (12 percent). The bank made seventeen home refinance loans within the AA between 2001 and 2002. Two loans totaling \$85 thousand were made to low-income borrowers and zero loans were made to moderate-income borrowers.

**Table 4a – Borrower Distribution of Residential Real Estate Loans
January 1, 2001 – December 31, 2002**

Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase*	18.48	21.74 (5)	22.52	17.39 (4)	28.12	4.35 (1)	30.88	34.78 (8)
Home Improvement*	18.48	17.39 (4)	22.52	30.43 (7)	28.12	34.78 (8)	30.88	17.39 (4)
Home Refinance*	18.48	11.76 (2)	22.52	0.00 (0)	28.12	35.29 (6)	30.88	41.18 (7)
Multifamily*	18.48	0.00 (0)	22.52	40.00 (2)	28.12	0.00 (0)	30.88	20.00 (1)
Total HMDA*	18.48	16.18 (11)	22.52	19.12 (13)	28.12	22.06 (15)	30.88	29.41 (20)

* Represents loans originated between January 1, 2001 and December 31, 2002 as reported under the Home Mortgage Disclosure Act.

(#) Represents the actual number of loans made.

HMDA Loan Originations (January 1, 2003 – December 31, 2003)

The borrower distribution of home purchase loans among borrowers of different income levels is reasonable. Home purchase loans made to low- and moderate-income borrowers (13.33 and 13.33 percent, respectively) is below the percentage of low- and moderate-income families (17.91 and 20.46 percent, respectively) within the AA. However, consideration was given to the high poverty level (13 percent) in the AA. The bank made fifteen home purchase loans within the AA during 2003. Two loans totaling \$167 thousand were made to low-income borrowers and two loans totaling \$269 thousand were made to moderate-income borrowers.

The borrower distribution of home improvement loans among borrowers of different income levels is excellent. Home improvement loans made to low- and moderate-income borrowers (33.33 and 33.33 percent, respectively) exceeded the percentage of low- and moderate-income families (17.91 and 20.46 percent, respectively) within the AA. The bank made three home improvement loans within the AA during 2003. One loan totaling \$10 thousand was made to a low-income borrower and one loan totaling \$4 thousand was made to a moderate-income borrower.

The distribution of home refinance loans among borrowers of different income levels is reasonable. Home refinance loans made to low-income borrowers (0.00 percent) was below the percentage of low-income families (17.91 percent) within the AA. However, we gave consideration to the high level of poverty (13 percent). Home refinance loans made to moderate-income borrowers (22.22 percent) exceeded the percentage of moderate-income families (20.46 percent) within the AA. The bank made nine home refinance loans within the AA during 2003. Zero loans were made to low-income borrowers and two loans totaling \$86 thousand were made to moderate-income borrowers.

Table 4b – Borrower Distribution of Residential Real Estate Loans January 1, 2003 – December 31, 2003								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase**	17.91	13.33 (2)	20.46	13.33 (2)	28.53	6.67 (1)	33.11	60.00 (9)
Home Improvement**	17.91	33.33 (1)	20.46	33.33 (1)	28.53	33.33 (1)	33.11	0.00 (0)
Home Refinance**	17.91	0.00 (0)	20.46	22.22 (2)	28.53	22.22 (2)	33.11	55.56 (5)
Multifamily**	17.91	0.00 (0)	20.46	0.00 (0)	28.53	25.00 (1)	33.11	50.00 (2)
Total HMDA**	17.91	9.68 (3)	20.46	16.13 (5)	28.53	16.13 (5)	33.11	51.61 (16)

** Represents loans originated between January 1, 2003 and December 31, 2003 as reported under the Home Mortgage Disclosure Act.
 (#) Represents the actual number of loans made.

Geographic Distribution of Loans

The geographic distribution of RBNA's commercial, agricultural and residential loans reflects a reasonable dispersion throughout the AA geography.

Commercial Loan Originations (January 1, 2001 – December 31, 2002)

The geographic distribution of commercial loans is reasonable. The lending performance in the one low-income geography (3.57 percent) exceeded the percentage of businesses (3.14 percent) in this geography. The lending performance in the two moderate-income geographies (3.57 percent) is below the percentage of businesses (16.12 percent) in these geographies.

Table 5a – Geographic Distribution of Loans to Business in AA January 1, 2001 – December 31, 2002								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses*	% of Number of Loans	% of AA Businesses*	% of Number of Loans	% of AA Businesses*	% of Number of Loans	% of AA Businesses*	% of Number of Loans
	3.14	3.57	16.12	3.57	75.88	89.29	4.86	3.57

Source: Sample of loans selected that were originated from January 1, 2001 through December 31, 2002
 *2002 Business Geodemographic Data

Commercial Loan Originations (January 1, 2003 – December 31, 2003)

The geographic distribution of commercial loans is reasonable. The lending performance in the two low-income geographies (0.00 percent) is below the percentage of small businesses (7.58 percent) in these geographies. The lending performance in the one moderate-income geography was not evaluated, as there are no businesses in this geography.

**Table 5b – Geographic Distribution of Loans to Business in AA
January 1, 2003 – December 31, 2003**

Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses*	% of Number of Loans	% of AA Businesses*	% of Number of Loans	% of AA Businesses*	% of Number of Loans	% of AA Businesses*	% of Number of Loans
	7.58	0.00	0.00	0.00	88.13	85.71	4.29	14.29

Source: Sample of loans selected that were originated from January 1, 2003 through December 31, 2003
*2003 Business Geodemographic Data

Agricultural Loan Originations (January 1, 2001 – December 31, 2002)

The geographic distribution of agricultural loans is reasonable. The lending performance in the one low-income geography (0.00 percent) is below the percentage of farms (0.42 percent) in this geography. However, consideration was given to the low number of farms (2) present in the geography. The lending performance in the two moderate-income geographies (8.00 percent) significantly exceeded the percentage of farms (0.42 percent) in these geographies.

**Table 6a – Geographic Distribution of Loans to Farms in AA
January 1, 2001 – December 31, 2002**

Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Farms*	% of Number of Loans	% of AA Farms*	% of Number of Loans	% of AA Farms*	% of Number of Loans	% of AA Farms*	% of Number of Loans
	0.42	0.00	0.42	8.00	98.11	92.00	1.05	0.00

Source: Sample of loans selected that were originated from January 1, 2001 through December 31, 2002
*2002 Business Geodemographic Data

Agricultural Loan Originations (January 1, 2003 – December 1, 2003)

The geographic distribution of agricultural loans is reasonable. The lending performance in the two low-income geographies (0.00 percent) is below the percentage of farms (0.85 percent) in these geographies. However, consideration was given to the low level of farms (4) in the geographies. The lending performance in the one moderate-income geography was not evaluated, as there are no farms in this geography.

**Table 6b – Geographic Distribution of Loans to Farms in AA
January 1, 2003 – December 31, 2003**

Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Farms*	% of Number of Loans	% of AA Farms*	% of Number of Loans	% of AA Farms*	% of Number of Loans	% of AA Farms*	% of Number of Loans
	0.85	0.00	0.00	0.00	89.87	78.57	9.28	21.43

Source: Sample of loans selected that were originated from January 1, 2003 through December 31, 2003. *2003 Business Geodemographic Data

Residential Loan Originations (January 1, 2001 – December 31, 2002)

The geographic distribution of home purchase loans is reasonable. Home purchase loans made in the bank's low-income geography (8.70 percent) significantly exceeded the percentage of owner-occupied housing units (1.77 percent) in this geography. Home purchase loans made in the bank's moderate-income geographies (0.00 percent) were significantly below the percentage of owner-occupied housing units (28.13 percent) in these geographies. Two loans totaling \$176 thousand were made in the low-income geography and zero loans were made in the moderate-income geographies.

The geographic distribution of home improvement loans is reasonable. Home improvement loans made in the bank's low-income geography (4.35 percent) significantly exceeded the percentage of owner-occupied housing units (1.77 percent) in the geography. Home improvement loans made in the bank's moderate-income geographies (0.00 percent) were significantly below the percentage of owner-occupied housing units (28.13 percent) in these geographies. However, consideration was given to the large student population and the bank originating most home loans through correspondent banks. One loan totaling \$2 thousand was made in the low-income geography and zero loans were made in the moderate-income geography.

The geographic distribution of home refinance loans is reasonable. Home refinance loans made in the bank's low- and moderate-income geographies (0.00 and 0.00 percent, respectively) were significantly below the percentage of owner-occupied housing units (1.77 and 28.13 percent, respectively) in these geographies. Zero loans were made in the low- and moderate-income geographies. However, consideration was given to the large student population and the bank originating most home loans through correspondent banks.

Table 7a – Geographic Distribution of Residential Real Estate Loans in AA January 1, 2001 – December 31, 2002								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Owner Occupied Housing*	% of Number of Loans						
Home Purchase**	1.77	8.70 (2)	28.13	0.00 (0)	67.76	86.96 (20)	69.99	4.35 (1)
Home Improvement**	1.77	4.35 (1)	28.13	0.00 (0)	67.76	86.96 (20)	69.99	8.70 (2)
Home Refinance**	1.77	0.00 (0)	28.13	0.00 (0)	67.76	94.12 (16)	69.99	5.88 (1)
Multifamily**	1.77	0.00 (0)	28.13	0.00 (0)	67.76	60.00 (3)	69.99	40.00 (2)
Total HMDA**	1.77	4.41 (3)	28.13	0.00 (0)	67.76	86.76 (59)	69.99	8.82 (6)

* 1990 US Census Information

** Represents loans originated January 1, 2001 through December 31, 2002 as reported under the Home Mortgage Disclosure Act.

(#) Represents the actual number of loans made.

Residential Loan Originations (January 1, 2003 – December 31, 2003)

The geographic distribution of home purchase is reasonable. Home purchase loans made in the bank's low-income geographies (0.00 percent) are below the percentage of owner-occupied housing units (2.55 percent) in these geographies. However, consideration was given to the low level of owner-occupied housing and the high level of renter-occupied units (92.72 percent) in these two geographies. Multifamily housing units (85.54 percent) comprise a majority of the geographies. Home purchase loans made in the bank's moderate-income geography were not evaluated, as there are no owner-occupied housing units in this geography. This geography is 100.00 percent renter-occupied.

The geographic distribution of home improvement is reasonable. Home improvement loans made in the bank's low-income geographies (0.00 percent) are below the percentage of owner-occupied housing units (2.55 percent) in the geographies. However, consideration was given to the low level of owner-occupied housing and the high level of renter-occupied units (92.72 percent) in these two geographies. Multifamily housing units (85.54 percent) comprise a majority of these geographies. Home improvement loans made in the bank's moderate-income geography were not evaluated, as there are no owner-occupied housing units in this geography. This geography is 100.00 percent renter-occupied.

The geographic distribution of home refinance is reasonable. Home refinance loans made in the bank's low-income geographies (0.00 percent) are below the percentage of owner-occupied housing units (2.55 percent) in the geographies. However, consideration was given to the low level of owner-occupied housing and the high level of renter-occupied units (92.72 percent) in these two geographies. Multifamily housing units (85.54 percent) comprise a majority of the geographies. Home refinance loans made in the bank's moderate-income geography were not evaluated, as there are no owner-occupied housing units in this geography. This geography is 100.00 percent renter-occupied.

Table 7b – Geographic Distribution of Residential Real Estate Loans in AA January 1, 2003 – December 31, 2003								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Owner Occupied Housing*	% of Number of Loans						
Home Purchase**	2.55	0.00 (0)	0.00	0.00 (0)	64.79	100.00 (15)	84.58	0.00 (0)
Home Improvement**	2.55	0.00 (0)	0.00	0.00 (0)	64.79	100.00 (3)	84.58	0.00 (0)
Home Refinance**	2.55	0.00 (0)	0.00	0.00 (0)	64.79	100.00 (9)	84.58	0.00 (0)
Multifamily**	2.55	0.00 (0)	0.00	0.00 (0)	64.79	100.00 (4)	84.58	0.00 (0)
Total HMDA**	2.55	0.00 (0)	0.00	0.00 (0)	64.79	100.00 (31)	84.58	0.00 (0)

* 2000 US Census Information

** Represents loans originated January 1, 2003 through December 31, 2003 as reported under the Home Mortgage Disclosure Act.

(#) Represents the actual number of loans made.

Responses to Complaints

RBNA has not received any written complaints about its performance in helping to meet the credit needs within its AA during this evaluation period.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of illegal discrimination or other illegal credit practices.